



Oklahoma International Trade Bulletin

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Mark Your Calendar!

Oklahoma World Trade Conference to Be Held at the Doubletree Hotel at Warren Place on April 26th

Mark your calendar to attend the 23rd annual Oklahoma World Trade Conference, April 26, 2006, at the Doubletree Hotel at Warren Place in Tulsa. The conference is sponsored by the Oklahoma District Export Council in coordination with the U. S. and Oklahoma Departments of Commerce.

The topic of the morning session will be ***The Hottest World Markets in 2006 – Are You Looking in the Right Places?*** The presentation by an expert speaker will be followed by a discussion of panelist and a question-and-answer session.

At the luncheon the ***2006 Governor's Award for Excellence in Exporting*** will be presented and a subject matter expert will deliver the keynote address: ***What Does Free Trade Mean to My Company?***

The afternoon session will be a discussion of ***The Cost of Domestic/International Logistics – Moving My Products***. This presentation will also be

followed by a discussion of panelist and a question-and-answer session.

In addition, a concurrent afternoon breakout session for Chambers of Commerce and other economic development agencies will focus on ***Reaching for the World Market - Enhancing Existing Industry Opportunities.

For an Oklahoma business interested in maximizing its efforts in the international marketplace, this will be a very informative update on the dramatic changes taking place in today's global marketplace.

Registration Fees:

1 Attendee - \$85.00

2 or More Attendees from One Organization - \$85.00 for the first and \$75.00 each for the others

Student – ID required - \$20

Corporate Table (8 Attendees) - \$535.00

Corporate Contributory Sponsorship (5 Attendees) - \$500

Display Table (Includes Registration for 2 Attendees) - \$260.00

Registration fees include information packets, continental breakfast, and luncheon. Checks should be made payable to the Oklahoma District Export Council and mailed to 301 N. W. 63rd Street, Suite 330, Oklahoma City, Oklahoma 73116. You may also register and pay at the door.

For your convenience, a registration form is included on page 3 of this newsletter.

Cancellation policy is a full refund until April 18th. From April 19-26, refunds will be subject to a \$35.00 cancellation fee per registrant. No refunds will be given the day of or after the event.

For further information or registration, call 405/608-5302 in Oklahoma City, 918/581-7650 in Tulsa or 800/879-6552, extension 223. E-mail: oklahomacity.office.box@mail.doc.gov.

Middle East Workshop: Business Opportunities in United Arab Emirates and the Middle East March 20, 2006 - Oklahoma City

The Oklahoma District Export Council, in conjunction with the Oklahoma U.S. Export Assistance Center and the Oklahoma Department of Commerce, will sponsor a half-day workshop in Oklahoma City on March 20, 2006, on "Business Opportunities in the United Arab Emirates and the Middle East."

Registration will begin at 8:30a.m. The workshop will be held from 9:00a.m. to 1:00p.m. in Gallery I-I at the Oklahoma Department of Commerce, 900 North Stiles Avenue, Oklahoma City. One-on-one consultations by appointment with guest speakers and workshop participants will be available from 1:00 p.m. to 4:00 p.m.

For a fee of only \$35.00 participants will learn the latest on doing business in United Arab Emirates (UAE) and the Middle East when we are joined by **Christian Reed**,

Senior Commercial Officer at the U.S. Embassy in Abu Dhabi. Mr. Reed will be in Oklahoma to help Oklahoma companies identify business opportunities in the UAE, and explain how to find and work with distributors and agents in the Emirates. He will be joined by **Kam Shah from the Commerce Department's Middle East and North Africa Business Information Center (MENABIC) in Washington, D.C.** who will present practical information about MENABIC and how exporters can use the center to support business opportunities in 16 Middle East countries.

Mr. Reed and Mr. Shah will also be available for one-on-one consultations with companies that attend the workshop. To schedule an appointment, please call Ashley M. Wilson, International Trade Specialist with the Oklahoma U.S. Export Assis-

tance Center at 405/608-5302.

Your registration fee will also include a networking luncheon.

Checks should be made payable to the Oklahoma District Export Council and mailed to 301 N.W. 63rd Street, Suite 330; Oklahoma City, Oklahoma 73116.

For your convenience, a registration form is included on page 4 of this newsletter. Advance registration is required by March 13, 2006, due to limited seating.

The cancellation policy for all workshops is a full refund up to 24 hours prior to the event. For a cancellation within 24 hours of the event, your registration fee will be applied to a future workshop of your choice.

For further information or registration, call 405/608-5302 or 918/581-7650.

Doing Business in United Arab Emirates

Market Overview

The United States and the United Arab Emirates have a strong bilateral relationship, based on a joint commitment to the security and stability of the Gulf region. Our two governments also share many similar concerns on a host of other international issues. Exports in both directions have increased almost every year since the

UAE, a federation of seven emirates on the Arabian Gulf, was founded in 1971. In May 2004, the two countries signed a Trade and Investment Framework Agreement, and at this writing (January 2006), FTA negotiations are progressing.

The prosperity of UAE citizens is based in great part on the country's vast oil and gas reserves, most of

which lie in the largest emirate and seat of the capital, Abu Dhabi. The UAE has nearly ten percent of the world's proven oil reserves and five percent of proven gas reserves. Other emirates include Dubai, Sharjah, Ras al Khaimah, Fujairah, Ajman, and Umm al Quwain. The country is an active member of the Gulf Cooperative Council (GCC), which includes Saudi

Arabia, Kuwait, Oman, Qatar, and Bahrain. According to official 2004 UAE statistics, the per capita income is US\$20,130.

The UAE, long recognized as the commercial and business hub of the Arabian Gulf, is home to the busiest man-made port in the world, Jebel Ali. This Gulf powerhouse has no corporate taxes (with the exception of banks and foreign oil companies that have concessions in UAE oilfields), no income taxes, and a relatively low import duty of five percent. The UAE ranks as our third-largest trading partner in the Arab World, after Saudi Arabia and Egypt. U. S. exports to the UAE, excluding defense sales or services, totaled US\$4.1 billion in 2004, while imports from the UAE were roughly US\$1.1 billion. With a US\$90 billion a year economy and excellent infrastructure, the UAE is an ideal location for U. S. companies to conduct business. The presence of over 500 U. S. firms here underlines this fact. To name just a very few: Lockheed Martin, Boeing, General Electric, Raytheon, Northrop Grumman, General Dynamics, FedEx, Ford, Johnson & Johnson, MSD, ExxonMobil, CMS Energy, Microsoft, Motorola, and many more. U. S. companies see the UAE as an excellent place to establish a regional presence because of the can-do, pro-

business orientation of the leadership, and the stability of the country.

The UAE, a model for digital readiness in the Middle East, has embraced the Internet age. Mobile phone and PC usage levels are among the highest in the Middle East. The Emirate of Dubai, capitalizing on its strategic trading position between Central Asia, the Middle East, and Africa, is growing dramatically. This emirate has attracted international investment, companies and visitors with landmark projects such as vast housing developments and the ambitious man-made Palm Islands, which include private residences and hotels. Dubai's Jebel Ali Free Zone (JAFZ) has over 2,400 companies, including 150 U. S.-owned firms. Other Dubai free zones include Media City, Knowledge Village and Internet City. Borrowing on the success of JAFZ, other emirates have also created free zones.

The UAE is a member of the WTO and a signatory to the General Agreement on Tariffs and Trade (GATT), the General Agreement on Trade in Service (GATS), and the Agreement on Trade-Related Aspects of Intellectual Property (TRIPS). The UAE Government has stated that it hopes to conclude a Free Trade Agreement with the USA during 2006.

Market Challenges

The UAE, although an attractive

market for a wide variety of products, can be a difficult place for American firms to do business. It is not a market for the first-time exporter. The legal system protects local entities. Foreign companies find it extremely difficult to legally dismiss a non-performing local agent without protracted litigation, and it is difficult, if not impossible, to sell without a local agent. Payments tend to be slower than in the U. S. and Europe. The U. S. Embassy strongly advises companies wanting to do business in the UAE to seek competent legal counsel while exploring the market and to get to know their prospective client or business partner well prior to entering into an agreement.

Market Opportunities

Although oil and gas production will remain the backbone of the UAE economy for years to come, the non-oil sector of the economy is growing at a rapid pace. Major growth areas include: aircraft & parts, security and safety equipment; IT equipment and services; medical equipment, services and supplies; architecture, construction, and engineering services; building products; air conditioning and refrigeration equipment; environmental and pollution control equipment; and sporting goods and equipment. Water and power projects continue to offer considerable opportunity due to

Registration:

Oklahoma World Trade Conference

April 26, 2006

**Doubletree Hotel at Warren Place
6110 South Yale Avenue
Tulsa, Oklahoma**

❖ Make Checks Payable to Oklahoma District Export Council

Mail to: 301 N. W. 63rd St., Suite 330; Oklahoma City, OK; 73116 **Fax to:** (405)608-4211 or (918)581-6263 **E-mail to:** oklahomacity.office.box@mail.doc.gov

Name: _____ Firm: _____

Address: _____ City: _____

State: _____ Zip: _____ Telephone: _____

Fax: _____ E-mail: _____

Website: _____ Number of Attendees: _____

Corporate Table: _____ Contributory Sponsorship: _____ Display Table: _____

Economic Development Session: _____ Pay at door: _____ Amount Enclosed: \$ _____

the UAE's unquenchable thirst for water and electricity.

There is no personal income tax.

U. S. fast food and casual dining restaurants are popular in the UAE, particularly with the younger generation. Many of the ingredients are imported from the U. S.

Good prospects for U. S. food exports, in descending order include: Vegetable oils, beverage bases, breakfast cereals, poultry parts, fresh fruits (specifically apples and pears), honey, frozen vegetables, snack foods, cheeses, almonds, fruit and vegetable juices, and miscellaneous food prod-

ucts, particularly hot sauces, salad dressings, catsup, mayonnaise, vinegar, iodized salt, ice cream, frozen dough mixes, Tex-Mex foods and coffee whiteners.

Market Entry Strategy

A rapidly developing nation, the UAE has traditionally been, and continues to be, a leading trading center. High product quality, reliability, training, and after-sale service continue to be attractive features for U. S. exports. American goods and services find a ready market here, one that will present many opportunities for U. S. firms for years to come.

U. S. companies seeking general export information, assistance, or country specific commercial information should contact either one of the Oklahoma offices, the U. S. Department of Commerce's Trade Information Center at 1-800-USATRADE (1-800-872-8723), or visit:

www.export.gov or www.buyusa.com.

Agricultural reports are available via the Reports Office, USDA/FAS, Ag Box 1052, Washington, D.C. 20250-1052 and via the FAS Home Page on the Internet at the following URL: <http://www.fas.usda.gov/scripts/attacherep/default.asp>



Frequently Asked Questions: U. S. Commercial Service and the American Trading Centers (ATC) Initiative

Q. What is the American Trading Centers (ATC) Initiative?

A. The ATC Initiative is a formal collaboration (a Memorandum of Understanding was signed on July 11, 2005) between the U.S. Department of Commerce's International Trade Administration (the parent organization of the U.S. Commercial Service) and the China

Council for the Promotion of International Trade (CCPIT).

The ATC initiative enables the U. S. Commercial Service to offer U. S. companies greater access to more China markets including Dalian, Chongqing, Hangzhou, Harbin, Kunming, Nanjing/Jiangsu Province, Ningbo, Qingdao, Shenzhen, Tianjin, Wuhan, Xiamen,

Xi'an/Shaanxi Province and Zhuhai.

How? The ATC fosters new relationships between U. S. and Chinese small and medium-size companies in these 14 key Chinese business centers in order to generate new opportunities for U. S. SMEs in the China market. Specific examples of this collaboration are:

⇒ Shared and jointly prepared

Registration:

Please register by March 13, 2006, due to limited seating

Middle East Workshop

March 20, 2006

**Oklahoma Department
of Commerce
900 North Stiles Avenue
Oklahoma City, Oklahoma**

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Name: _____ Firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____

E-mail: _____ Website: _____

Number of Attendees: _____ Amount Enclosed: \$ _____

targeted Chinese market research and trade lead information;

⇒ High-quality business matchmaking services for American exporters in 14 major business centers across China;

⇒ Mutually-beneficial trade exhibitions and trade missions in the 14 Chinese business centers; and

⇒ Dissemination of market opportunity information to American and Chinese business representatives to facilitate U. S.-China trade.

For more on the ATC initiative, visit www.export.gov/china.

Q. Who is the China Council for the Promotion of International Trade (CCPIT)?

A. The CCPIT, recognized as nongovernmental organization by the UN, comprises officials, enterprises and organizations representing various industrial and trade sectors in China. Its objective is to promote the development of economic and trade relations between China and other countries and regions around the world. The CCPIT promotes trade through its functions of information dissemination, consultation, exhibition, legal assistance, etc. For more information, visit: http://www.ccpit.org/static_ccpit/en/about.jsp.

Q. What new services does this initiative offer my company?

A. The services offered through the ATC network do not differ from the trade promotion support offered by the Commercial Service worldwide. This initiative makes it possible to broaden the geographic scope of our services while maintaining consistent service quality in China's vast and diverse business environment. CCPIT has agreed to follow Commercial Service standards in their entirety.

Q. What is the difference in the assistance available from Commercial Service offices now located in five Chinese cities and through the ATC?

A. The American Trading Center network in China does not consist of "brick and mortar" offices. This is a virtual network linking the U.S. Commercial Service offices in five U.S. diplomatic missions with the resources of the China Council for the Promotion of International Trade (CCPIT). The Commercial Service has hired American contractors, called

Commercial Representatives (CRs), one at each of the five U.S. diplomatic missions, who travel to the ATC cities to introduce U.S. companies to local and regional officials and businesspeople, including decision makers for major project procurement and trade-event organizers. In the 14 designated ATC cities, CCPIT's international trade professionals serve as ATC points of contact. These professionals are counterparts to the CRs. The Commercial Service has provided training to CCPIT's staff, whose work is reviewed by the CRs.

Q. How can I determine which ATC location is most relevant to my product line?

A. It is most useful to research the market first to determine the suitability of your product, rather than simply selecting a city. We also encourage all prospective U.S. exporters to use a self-assessment tool called "Are You China Ready?" at www.export.gov/china/assisting_us_exporters/areyouchinaalready.asp. Also, city profiles and information on leading industry sectors can be found at <http://www.export.gov/china/atc.asp>

Q. How do I request services at one of these 14 ATC locations?

A. Once your company has determined that it may be useful to explore market opportunities further, consider a variety of services designed to assist U. S. exporters at www.buyusa.gov/china/en/programs.html. These services may be ordered through the Oklahoma U. S. Export Assistance Center or you can follow instructions within the program descriptions.

Q. I understand that the CCPIT is a quasi-governmental entity. How can I be sure that my company's business-proprietary information will be protected?

A. CCPIT has agreed to follow Commercial Service standards in their entirety. These standards include rules of conduct applicable to all Commercial Service employees. Although the CCPIT professionals are not Commercial Service employees, under the terms of our agreement CCPIT has agreed to accept these service ethics.

Q. How will the Commercial Service ensure uniform quality among these different locations?

A. The American Commercial

Representatives (CRs) are there to ensure that the quality of the market research, appointments, and other services meet the worldwide and China-wide Commercial Service standards. The training provided CCPIT staff is based on the best practices of our commercial specialists in China, and fulfillment of every service order will include direct involvement of the CRs. Finally, the services offered by the ATCs enjoy the same unconditional money back guarantee as all other Commercial Services products.

Q. For a Gold Key (matchmaking service), I appreciated that a Commercial Specialist accompanied me to my meetings. Will this be offered at the ATC locations?

A. In most cases, an employee of the Embassy or Consulate will accompany you to your meetings when they are arranged through the ATC network. This is to ensure quality control and to assist you with any additional issues that may arise during the provision of the service.

Q. My company recently requested a Gold Key (matchmaking) service from CS China and was informed that we would have to wait several months. Can the Commercial Service offer faster service for the cities designated by the ATC Initiative?

A. While our ATC network has added significant capacity to the overall Commercial Service program in many parts of China, given the resources of CCPIT at the local level and the anticipated increase in customer volume, the standard delivery lead time for Gold Keys remains at 6 weeks in China.

Q. What "after sale" service can I expect from the ATC?

A. Once the service is completed, you have the option of meeting with a Commercial Service employee, in China or at a domestic office, to discuss additional steps, and you are asked to fill out a client survey. As with all services provided by the Commercial Service, we offer a 100 percent unconditional money-back guarantee if the client is not fully satisfied.

Q. Are there any U. S. restrictions on exports to China that I need to be concerned about?

A. The United States does control the export of certain commodities and technology (knowledge) that can be applied to military as well as commercial purposes.

Further information concerning U. S.
export controls, including the role of the
Bureau of Industry and Security in

implementing the Export Administration
Regulations, www.bis.doc.gov.
For further information or details,

please contact either one of our offices.

March 2006 Calendar of Events

| <i>Date</i> | <i>Event</i> | <i>Contact</i> |
|--------------------|---|------------------------------|
| March 7, 2006 | <i>Minority and Women's Breakfast</i> Metro Tech Conference and Banquet Center, Oklahoma City | Aquilla Pugh 405/427-4444 |
| March 20, 2006 | <i>Middle East Workshop: Business Opportunities in United Arab and the Middle East</i> Oklahoma Department of Commerce, Oklahoma City | 405/608-5302 918/581-7650 |

Coming Attraction!

Oklahoma World Trade Conference

April 26, 2006 in Tulsa